VIRGINIA:

### BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	Range Resources-Pine Mountain, Inc.	) VIRGINIA GAS ) AND OIL BOARD
RELIEF SOUGHT	EXCEPTION TO STATEWIDE SPACING LIMITATIONS PRESCRIBED BY VA. CODE § 45.1-361.17 (a) (2) FOR WELL NO. 900126	) DOCKET NO. ) VGOB-12-1218-3097 )
LEGAL DESCRIPTION	)	
DRILLING U NUMBERED	)	
TO BE DRIL	)	
DEPICTED ( James E. Ra	)	
40.00 acres,	<b>,</b>	
HARMAN Q	j	
ROCK LICK	<b>)</b>	
BUCHANAN	<b>)</b>	
	Lands" are more particularly described	· · · · · ·
on Exhibit "	A", attached hereto and made a part hereof)	· · · · · · · · · · · · · · · · · · ·
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#### REPORT OF THE BOARD

#### FINDINGS AND ORDER

- 1. <u>Hearing Date and Place</u>: This matter came on for hearing before the Virginia Gas and Oil Board (hereafter "Board") at **9:00 a.m.** on **December 18, 2012** at the Russell County Conference Center, Highland Drive, Lebanon, Virginia.
- 2. Appearances: Timothy E. Scott of McKinnis & Scott, appeared for the Applicant.
- 3. <u>Jurisdiction and Notice</u>: Pursuant to Va. Code §§ 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner having an interest in Subject Drilling Unit underlying and comprised of Subject Lands; and (2) represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of this application. Further, the Board has caused notice of this hearing to be published as required by Va. Code § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

- 4. Amendments: None.
- 5. Dismissals: None.
- 6. Relief Requested: Applicant requests an exception to the statewide spacing limitations set forth in Va. Code § 45.1-361.17 for Well No. 900126.
- 7. Relief Granted: The requested relief in this cause shall be and hereby is granted. The Board hereby grants Applicant consent to permit and drill proposed Well No. 900126 which is 1,750.00 feet from Range Well No. 821672, 2,011 feet from Range Well No. 809680, 2,140 feet from Range Well No. 809637 and 2,334 feet from Range Well No. 900024 at the location depicted on the Plat attached hereto as Exhibit A.
- 8. <u>Special Findings</u>: The Board specifically and specially finds:
  - 8.1 Applicant is Range Resources-Pine Mountain, Inc. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
  - 8.2 Applicant Range Resources-Pine Mountain, Inc. is an operator in the Commonwealth of Virginia and has satisfied the Board's requirements for operations in Virginia;
  - 8.3 Applicant claims ownership of Conventional Gas Leases of Subject Drilling Unit and the right to explore for, develop and produce Gas from Well No. 900126 as well as the right to participate and develop the reciprocal well, being Range Well Nos. 821672, 809680, 809637 and 900024.
  - 8.4 The proposed Well No. 900126 is located on the James E. Raines et al. containing 40.00 acres and the surface, coal, gas and oil owners have consented to the proposed location for Well No. 900126 that is depicted on the Plat attached hereto as Exhibit A;
  - The Applicant testified it has the right to operate and participate in the development of the reciprocal Range Well Nos. 821672, 809680, 809637 and 900024 and that the granting of the application filed herein will not impact the correlative rights of any person;
  - 8.6 An exception to the well spacing requirements of Va. Code § 45.1-361.17 for Well No. 900126 is necessary to efficiently drain a portion of the common sources of supply (reservoir) underlying Subject Drilling Unit, and the Board's granting of the requested location exception is in the best interest of preventing the waste of 550 million cubic feet of Conventional Gas underlying the Subject Drilling Unit, and to generally effect the purposes of the Virginia and Oil Act:
  - 8.7 Applicant proposes the drilling of Well No. 900126 to a depth of 5,610 feet on the Subject Drilling Unit at the location depicted on Exhibit A to produce all the Mississippian and Devonian Age formations including, but not limited to, Ravencliff, Maxon, Big Lime, Weir, Berea and Devonian Shale, from surface to total depth drilled, 5,610 feet ("Subject Formations");
  - 8.8 Applicant proposes to drill Well No. 900126 a distance of 750.00 feet closer to Range Well No. 821672, 489 feet closer to Range Well No. 809680, 360 feet

DONE AND EXECUTED this 9 day of January, 2013 by a majority of the Virginia Gas and Oil Board.

5 Euro C. Jamber

Chairman, Bradley C. Lambert

DONE AND PERFORMED this 9 day of January, 2013 by Order of the Virginia Gas and Oil Board.

Rick Cooper

Rick Cooper Principal Executive to the staff, Virginia Gas and Oil Board

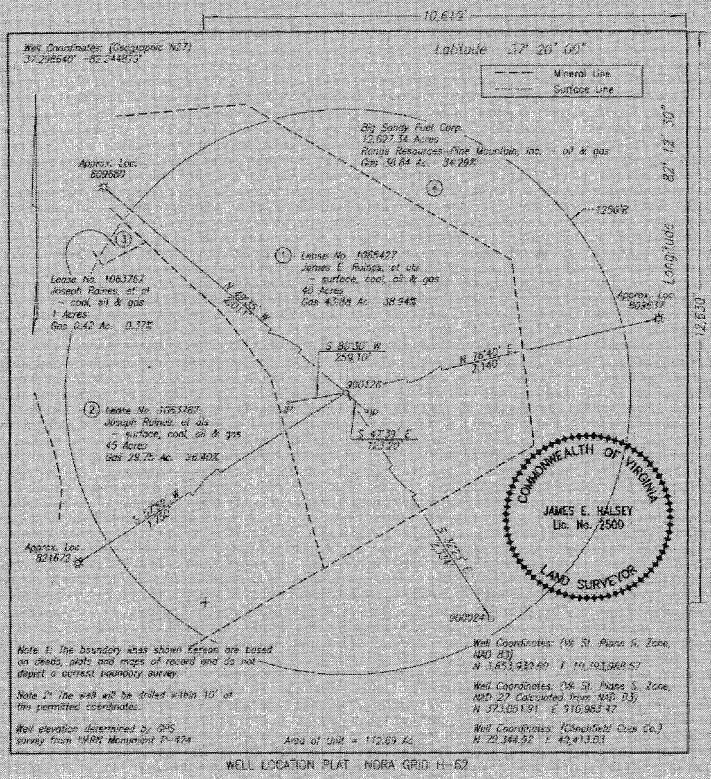
COMMONWEALTH OF VIRGINIA COUNTY OF RUSSEL)

Acknowledged on this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.

Diane J. Davis, Notary Public

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My Commission expires: September 30, 2013



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COUNTY Buchonan			
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Laverse Professional Engineer of Econsest

EXIIIDIT A

Form DGD-09-7

# Exhibit "B" WLE Well No. 900126 5,610'

## DEPTH -

Dickenson-Russell Coal Company Maxxim Shared Services, LLC Attn: Steve Smith 5703 Crutchfield Drive Norion, VA 24273

ALPHA Land & Reserves, LLC Attn; Steve Smith 5703 Crutchfield Drive Norton, VA 24273

WBRD LLC John Mooney 5260 Irwin Road Huntington, WV 25705-3247

AGIN LLC John Mooney 5260 Irwin Road Huntington, WV 25705-3247

Levisa Leasing, Inc. C/O Mark Altizer 101 Hillside Drive Abingdon, VA 24210

Penn Virginia Operating Company, LLC Mr. John Keith Seven Sheridan Square, Suite 400 Kingsport, TN 37660

Wellmore Coal Company, LLC Attn: Bob Brendlinger P.O. Box 458 Big Rock, VA 24603

Gail Duckett 131 Ganary Dr NW Apt. B Cleveland, TN 37312

Carol McCormick 1391 Rabbit Valley Rd NW Cleveland, TN 37312

Betty Jean Musick 6628 Nancy Lane Trinity, NC 27370

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Mickey Lee Branham PO Box 33 Haysi, VA 24256

Vickle June Silcox 1669 Nealy Ridge Clinchco, VA 24226 Aaron Lee Deel Unknown

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Faye D. Thacker Unknown

Woodrow Trinkle Deel Unknown

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